

NATIONAL DAIRY MARKET AT A GLANCE**CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (07/06):**

BUTTER: Grade AA closed at \$1.9400. The weekly average for Grade AA is \$1.9650 (-.0417).

CHEESE: Barrels closed at \$1.6300 and blocks at \$1.6700. The weekly average for barrels is \$1.6275 (+.0345) and blocks, \$1.6700 (+.0025).

NONFAT DRY MILK: Extra Grade closed at \$1.0300 and Grade A closed at \$1.0400. The weekly average for Extra Grade is \$1.0300 (N.C.) and Grade A, \$1.0400 (N.C.).

BUTTER: Butter markets are unsettled. The midweek holiday disrupted both production and delivery schedules for bulk and print butter. Some plants were closed for the holiday or at least reduced production schedules while others took full advantage of additional cream offerings. Ice cream producers are pulling increasing volumes of cream their way. Stocks of butter continue to lag last year at this time. Overall butter demand is fair. Orders this week were lighter as orders were placed and delivered prior to the holiday and replacement orders have not yet occurred. With the holiday at midweek, many buyers acquired sufficient butter stocks to carry them through the week and both weekends.

CHEESE: The cheese market is steady. Current cheese offerings are at least adequate for needs. Few buyers are willing to purchase for more than short-term needs at current prices. Cheese production is showing seasonal declines, reflecting lower milk intakes and reduced cheese yields. Cumulative January – May 2001 cheddar cheese output totals 1,160.4 million pounds, down 76.3 million pounds (-6.2%) from the same period in 2000 (adjusting February 2000 to the same number of days). Cumulative total cheese production in 2001 totals 3,415.4 million pounds, down 43.9 million pounds (-1.3%) from the same period last year.

FLUID MILK: Milk volumes were handled easily across the country with the mid-week holiday creating only limited problems. Production plants were down in some areas for the holiday, but capacity was ample to process available milk. Fat and protein levels of incoming milk are lower. Fluid milk demand is seasonally light and bottling schedules are limited. Hot weather conditions in the West are creating more problems for milk cows and milk volumes are declining. Plant receipts in the Midwest were lower. Cooler temperatures invaded the East, but milk continues to trend seasonally lower. In the Southeast, the milk flow is easing lower, but at a slower pace.

Florida milk handlers are still shipping milk out of state. Cream demand is good to ice cream producers and the market remains firm.

DRY PRODUCTS: Conditions remain slightly confused in the nonfat dry milk complex. Offerings continued to the CCC support program at a moderate clip by several Western producers again this week. The trade is split on whether this is a short-term event or will be continuous. There has been no news on the new DEIP program. Volumes are expected to equal last year's, but the level of bonuses remain unclear with the trending lower domestic NDM prices. Dry buttermilk prices are holding steady in a balanced market. Whey prices are steady in a firm market with supplies and demand in good balance. WPC prices are unchanged, but the market tone is more unsettled. There are increasing offerings of product from both producers and resellers with additional pressure coming from the availability of feed grade NDM. Lactose markets have settled higher following third quarter contract negotiations. Export interest has remained good into Asia, South America and the EU.

CCC: During the week of July 2 - 6, CCC adjusted purchases totaled 7,004,816 pounds of Western nonfortified NDM.

JUNE AGRICULTURAL PRICES (NASS): The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in June 2001 was unchanged at 123. Compared with June 2000, the index is up 3 points (2.5%). The index of prices received by farmers for dairy products advanced 6 points during the month of June 2001 to 124. Compared with June 2000, the index was up 30 points (31.9%). Prices received by farmers in June with changes from May were: for All Milk, \$16.20 per hundredweight (cwt.), up \$.80; Fluid Grade Milk, \$16.20, up \$.80; and for Manufacturing Grade Milk, \$15.00, up \$.70.

MAY DAIRY PRODUCTS (NASS): Butter production was 110.7 million pounds in May, 1.6% above May 2000 and 4.4% above April 2001. American type cheese production totaled 309.6 million pounds, 3.9% below May 2000 but 5.2% above April 2001. Total cheese output (excluding cottage cheese) was 707.5 million pounds, 3.1% below May 2000 but 4.8% above April 2001. Nonfat dry milk production, for human food, totaled 139.1 million pounds, 0.9% above May 2000 and 6.0 above April 2001. Dry whey production, for human food, was 93.8 million pounds, 7.0% below May 2000 but 3.7% above April 2001.

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**CHICAGO MERCANTILE EXCHANGE
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY JULY 2	TUESDAY JULY 3	WEDNESDAY JULY 4	THURSDAY JULY 5	FRIDAY JULY 6	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.6200 (+.0100)	\$1.6300 (+.0100)	N O	\$1.6300 (N.C.)	\$1.6300 (N.C.)	+.0200	\$1.6275 (+.0345)
40# BLOCKS	\$1.6700 (+.0125)	\$1.6700 (N.C.)	T R	\$1.6700 (N.C.)	\$1.6700 (N.C.)	+.0125	\$1.6700 (+.0025)
BUTTER							
GRADE AA	\$1.9900 (-.0100)	----	A D E	----	\$1.9400 (-.0500)	-.0600	\$1.9650 (-.0417)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM (NOTE: The NDM daily/weekly prices are reported here when changes occur. The Extra Grade price is \$1.0300 and Grade A price is \$1.0400. NDM information remains available at the above internet address.)

CHICAGO MERCANTILE EXCHANGE

MONDAY, JULY 2, 2001

CHEESE — SALES: 3 CARS 40# BLOCKS: 1 @ \$1.6700, 1 @ \$1.6675, 1 @ \$1.6700; BIDS UNFILLED: 1 CAR BARRELS @ \$1.6200; OFFERS UNCOVERED: NONE

BUTTER — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 17 CARS GRADE AA: 3 @ \$1.9900, 2 @ \$1.9925, 3 @ \$1.9950, 2 @ \$1.9975, 3 @ \$2.0000, 1 @ \$2.0100, 1 @ \$2.0500, 2 @ \$2.1000

TUESDAY, JULY 3, 2001

CHEESE — SALES: 1 CAR BARRELS @ \$1.6300; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, JULY 4, 2001

NO TRADING, JULY 4TH HOLIDAY

THURSDAY, JULY 5, 2001

CHEESE — SALES: 2 CARS 40# BLOCKS: 1 @ \$1.6675, 1 @ \$1.6700; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, JULY 6, 2001

CHEESE — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.6300

BUTTER — SALES: 9 CARS GRADE AA: 1 @ \$1.9375, 1 @ \$1.9000, 1 @ \$1.8975, 1 @ \$1.9100, 2 @ \$1.9300, 1 @ \$1.9400, 1 @ \$1.9350, 1 @ \$1.9400; BIDS UNFILLED: 103 CARS GRADE AA: 2 @ \$1.9250, 1 @ \$1.9200, 100 @ \$1.5000; OFFERS UNCOVERED: 17 CARS GRADE AA: 1 @ \$1.9475, 1 @ \$1.9500, 1 @ \$1.9600, 1 @ \$1.9650, 1 @ \$1.9750, 1 @ \$1.9800, 2 @ \$1.9850, 1 @ \$1.9875, 7 @ \$1.9900, 1 @ \$2.0000

Dairy Market News will report CME nonfat dry milk activity only on the sessions when trading occurs.

BUTTER MARKETS

MAY BUTTER PRODUCTION

During May 2001, butter production in the United States totaled 110.7 million pounds, 1.6% more than May 2000 and 4.4% higher than April 2001, although year to date production is down 8.5%. The following are percentage changes from May 2000 for various states: CA - 7.9, NY + 41.8, PA + 1.2%, and WI + 24.9%.

NORTHEAST

The market tone remains firm. In the last six CME trading sessions (through 7/2), the butter price continues to bounce around the \$2.00 level. Churning activity in the East is light. More producers are choosing to sell their cream rather than churn it and use some of their inventoried butter to meet packaged demand. Also, most printers do have bulk butter contracted from Western suppliers coming in weekly, which is easing the need for churning. This week's July Fourth holiday will provide a little extra cream in the market. Some ice cream makers have scheduled to be down that day which will push more cream onto the spot market. Demand for butter is seldom better than fair. Retail prices are high and meeting consumer resistance. Food service orders are fair to good, particularly in resort or vacation areas. Sales of bulk butter, f.o.b. East, are reported in a range of 3.5 - 8.0 cents over the CME price/average.

CENTRAL

Butter markets remain firm. The cash price at the CME has basically held steady around the \$2.00 level for the past few weeks. Many producers and handlers feel that market conditions and stock levels will cause prices to remain firm into the fall. Current production is seasonally active with most producers and handlers

taking advantage of surplus cream offerings when available and favorably priced. Stocks of butter continue to build when compared to last year at this time. Current production and overall slower sales are two factors producers are attributing to current inventory growth. Butter buying interest is fair at best. Retail orders are somewhat slower as some retail prices are being met with resistance by consumers. Food service orders are seasonally active as the summer vacation season and the 4th of July holiday spur butter demand. When available, bulk butter for spot sale is selling in a price range of 3 - 5 cents per pound over various pricing bases, although most producers and handlers are holding additional stocks with confidence.

WEST

The midweek holiday is expected to disrupt both production and delivery schedules for bulk and print butter. Some production plants will close an extra day or two this week, which will tend to increase the amount of surplus cream available. It is somewhat difficult to schedule trucks for delivery this week as some firms will attempt to have drivers home for the holiday. Overall, bulk demand seems to be somewhat slower while print orders, especially into food service and resort areas, are holding up quite well. Prices for retail butter seem to be high enough that demand is being adversely impacted. Ice cream manufacturers are stating that sales are very strong and they are requiring heavy volumes of cream at this time. Weekly CME butter stocks declined by 630,000 pounds this week. This is the first decline since Easter. Most years' stocks have begun to decline earlier than this. Western butter production during May totals 41.5 million pounds, down 13.4% from last year. US production, overall, is higher than the same month last year for the first time in 2001. Current prices for bulk butter nominally range from 3 cents under to flat market based on the CME with various time frames and averages involved.

NASS DAIRY PRODUCT PRICES
U.S. AVERAGE AND TOTAL POUNDS

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY	MILKFAT	
	40# BLOCKS	BARRELS 38% MOISTURE				CLASS II	ALL CLASSES
JUNE 30	1.6419 6,443,272	1.6309 8,391,408	0.9643 24,451,452	1.9756 2,317,649	0.2804 10,113,144	2.5549 2,534,849	2.5714 3,922,969

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

CHEESE MARKETS

NORTHEAST

Prices are unchanged to higher. Last week's CME average for 40# blocks was virtually unchanged while the barrel average decreased nearly 3.5 cents. This marked the first time in fifteen weeks that the averages for both blocks and barrels did not increase. The market tone is unsettled as buyers and producers try to assess where prices are headed. Retailers and user are trying to maintain as light an inventory as possible. Cheese output in the East is lighter and generally reported as moderate. Surplus milk volumes are dwindling along seasonal patterns. Retail sales are slow to fair. Current retail prices plus the ending of the June Dairy Month promotions are cited for the lack of demand. Food service orders are generally good.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.7125-2.1825
Cheddar Single Daisies	:	1.6700-2.1300
Cheddar 40# Block	:	1.8075-1.9900
Process 5# Loaf	:	1.8050-1.9650
Process 5# Sliced	:	1.8250-2.0825
Muenster	:	1.8725-2.0800
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is about steady, though with a somewhat unsettled undertone. Recent weakness in the barrel and block cash prices at the Chicago Mercantile Exchange has generated additional effort on the part of buyers to limit purchases to immediate needs. For other operations with customers that maintain limited inventory, sales are about steady. At current prices, few buyers are willing to speculate and voluntarily increase holdings. Many customers are on vacation this week, limiting order volume and deliveries. Most processors and packagers will close an extra day or two this week for the holiday observance. A few operations will need a Saturday run to help fill orders. This has reduced the bulk cheese needs. Process cheese sales range from fair to generally good. Overall, natural sales continue to lag, generally fair overall. Current cheese production has been showing the affect of the heat and humidity last week as milk intakes wilted and cheese yields declined. Cooler temperatures during the past few days have helped milk receipts to partially rebound.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.8125-2.0200
Brick And/Or Muenster 5#	:	1.9900-2.2625
Cheddar 40# Block	:	1.9800-2.1150
Monterey Jack 10#	:	2.1400-2.2900
Blue 5#	:	2.4075-2.6100
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	2.0000-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.4000-2.6850

MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	JULY 2 - 6, 2001
BARRELS*	:	\$1.5925 - 1.6400 (NOMINAL)
	:	(\$.0025) (-.0025)
40# BLOCKS	:	\$1.6675 - 1.6975 (NOMINAL)
	:	

() Change from previous week. * If steel, barrel returned.

WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	:	CHEESE
07/02/01	42,110	:	133,513
06/01/01	27,814	:	127,749
CHANGE	14,296	:	5,764
% CHANGE	51	:	5

WEST

Process cheese prices were sharply lower in response to trading at the CME last week. This is the first decline in the weekly average since March. Natural and Swiss prices did not change. Western contacts are watching the price gyrations at the CME with interest. Some buyers are taking somewhat of a wait and see attitude and purchasing only as their stock levels dictate. At this point they don't see as much upside potential so they are content with their status quo. Some manufacturing plants will be able to close an extra day or two this week for the holiday and not disrupt manufacturing channels all that much. Milk is being handled very well within the region. Some delivery problems are noted for this holiday week because of some changes in trucking schedules. Milk in the Southwest has been adversely impacted by all the hot weather recently. Output in the Northwest remains quite steady with even some increases still noted due to good production conditions. Total cheese production in May totals 707.5 million pounds, down 3.1% from a year earlier. This is the largest monthly year to year decline noted this year. Looking at May production for selected Western states compared to last year is as follows: California +10.0%, Idaho -4.8%, and Utah -12.4%. Swiss cheese production in May totals 22.3 million pounds, 11.4% above May 2000.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.7425-2.0025
Cheddar 40# Block	:	1.7900-1.9525
Cheddar 10# Cuts	:	1.9700-2.1900
Monterey Jack 10#	:	1.9800-2.1400
Grade A Swiss Cuts 6 - 9#	:	2.3500-2.5400

FOREIGN

Prices are unchanged and the market tone is steady. Demand for imported cheese used in processing is holding up quite well and should continue as long as the U.S. market price for cheese remains well above current import prices/costs. Demand for imported table cheese is seasonally slow and supplies are generally adequate to cover current needs. The current administration formally lifted trade sanctions the U.S. had imposed in a dispute over the EU's banana barriers. However, the resolution of the banana case still leaves 100% tariffs on other goods, including French Roquefort cheese, which was imposed by the previous administration because of other European import bans, not related to the banana case.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

	NEW YORK	
VARIETY	IMPORTED	DOMESTIC
Roquefort	TFEWR	-0-
Blue	2.6400-3.1400	2.0150-3.5100
Gorgonzola	3.2400-5.9400	2.4900-3.5825
Parmesan (Italy)	TFEWR	3.4300-3.4550
Romano (Italy)	2.1000-2.9900	-0-
Provolone (Italy)	3.4400-5.5000	2.0225-2.2425
Romano (Cows Milk)	-0-	3.2050-5.3825
Sardo Romano (Argentine)	2.6500-3.2900	-0-
Reggianito (Argentine)	2.6500-3.2900	-0-
Jarlsberg-(Brand)	2.7400-3.5900	-0-
Swiss Cuts Switzerland	-0-	2.3500-2.5500
Swiss Cuts Finnish	2.5900-2.8500	-0-
Swiss Cuts Austrian	2.2500-2.7500	-0-
Edam		
2 Pound	TFEWR	-0-
4 Pound	2.1900-3.0900	-0-
Gouda, Large	2.3900-2.6800	-0-
Gouda, Baby (\$/Dozen)		
10 Ounce	27.8000-31.7000	-0-

* = Price change.

Based on the historical relationship of the preliminary U.S. Cold Storage report of May 31 and the selected centers storage report, the expected U.S. holdings as of July 1 are:

Butter 206 million pounds plus or minus 3.24 percent
Cheese 527 million pounds plus or minus 3.13 percent

FLUID MILK AND CREAM

E A S T

Spot shipments of Grade A milk into or out of Florida and other Southeastern states

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	70	0	75	0	15
SOUTHEAST STATES	0	0	0	0	0	0

The following are the June 2001 Class and component prices under the Federal Milk Order pricing system: Class II \$16.05 (up \$.33 from April), Class III \$15.02 (up \$1.19); and Class IV \$15.33 (up \$.29). Product price averages used in computing Class prices are: butter \$1.9263, NDM \$1.0148, cheese \$1.6211, and dry whey \$.2764. The Class II butterfat price is \$2.2159 and the Class III/IV butterfat price is \$2.2089. An early-week cold front broke the heat wave that plagued the Northeast most of last week. Milder temperatures currently prevail, but milk output is still dropping through the region. In the Southeast, the milk flow is still easing lower, but at a slower pace. Following typical summer patterns, butterfat and protein tests on incoming milk are falling. Bottled milk sales are reported as poor throughout much of the East. In scattered areas, first-of-the-month orders are slightly improved. Surplus milk volumes are lighter and manufacturing plants are operating on slightly reduced schedules. Florida handlers are still shipping some milk out of state. A year ago at this time, Florida's exports had dipped to almost zero and imports began in late July. The Fourth of July holiday falling in the middle of a week does disrupt demand and processing schedules, but most contacts see few problems in clearing any extra milk that may show up. The condensed skim market is mostly steady. Demand is fair to good and supplies are more than adequate to meet those needs. Some operations did temporarily restart their dryers to clear some of their excess condensed skim. Also, some did clear to Midwest plants. The fluid cream market is firm. Supplies are tighter and demand is often improved. Spot prices are about steady. The CME weekly average for butter is up fractionally and multiples are occasionally higher. Some cream buyers are looking at Western suppliers to supplement their regular sources. Ice cream output is steady to heavier now that summer is in full swing. Sales of soft serve mix, ices, sherbet, and frozen novelties are all improving along seasonal patterns. Cream cheese output is steady to slightly heavier. Churning activity is limited.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	2.6288-2.7692
DELIVERED EQUIVALENT ATLANTA	-	2.5686-2.7692 M 2.6488-2.7291
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	2.6087-2.7492

PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES -	1.0500-1.1500
NORTHEAST- CLASS III - SPOT PRICES	- .8000- .9600

M I D W E S T

Temperature in the 80's and 90's combined with humidity as well as numerous biting insects reduced cow comfort last week and plant milk receipts were lower. A partial rebound was noted at many plants this week but, as usual, the bounce was smaller than the decline. Fat and protein tests on incoming milk supplies are also lower after the heat, down to lower summer levels. The July 4th holiday was a non-event for most operations even though a few plants were closed for a planned full week shutdown. From those operations closed for the week, extra surplus milk volumes were generated. Reported surplus milk prices were steady with some interest continuing to go unsatisfied. Most plant operating schedules remain well below year ago levels due to lower milk receipts. Many plant operators are concerned that they will have difficulty in filling orders due to additional declines in milk receipts by fall. Class I demand is still at generally light summer levels. Any disruption in bottling schedules was minor as most facilities were able to work around the midweek holiday.

Cream demand remains seasonally good, though lighter interest and lower prices were noted in deliveries around the holiday. Reported condensed skim prices range from \$1.09 - 1.1275 for Class II and \$.9850 - 1.0789 for Class III. Some concern remains over feed availability, especially better quality, for next winter due to the prolonged spring rains that delayed and prevented planting on many fields. Scattered showers greened up conditions at some locations while others were missed. A lot of corn planted in many of the wettest areas has a long ways to go to be knee-high as some is just "well out of the ground" due to the planting delays.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	JUN 28 - JUL 4	PREVIOUS YEAR
SLAUGHTER COWS	\$ 44.00- 50.00	\$ 39.00- 44.50
REPLACEMENT HEIFER CALVES	\$370.00-490.00	\$250.00-335.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	JUN 28 - JUL 4	PREVIOUS YEAR
SLAUGHTER COWS	\$ 48.25- 54.00	\$ 36.00- 47.25

W E S T

The June 4a price (butter/powder) in California is \$15.14, up 37 cents from May and \$2.91 higher than last year. This compares to the Federal Order Class IV price for June at \$15.33. The June 4b price (cheese) is \$14.82, up 66 cents from May and \$4.84 higher than last year. This compares to the Federal Order Class III price for June at \$15.02. Hot weather in the Southwest is impacting milk production. The full extent of the heat and humidity cannot yet be fully assessed, but volumes and solids' content are declining across the region. Temperatures and humidity levels were high in Southern California. Milk intakes are lower and less milk is being moved to balancing plants. Compounding the weather is the influx of biting flies. Temperatures were over 110 degrees in the Central Valley and milk levels were declining. Some cooling is expected over the weekend, but each hit of hot weather is creating less milk recovery. Energy needs were again in the spotlight. A Stage Two alert was in effect on Tuesday, but no reports of dairy processing plant shut downs were noted. More seasonally moderate temperatures have been recorded in New Mexico following some rainy season precipitation. Milk production is holding mostly steady with some variations in supplies. Cows and heifers are being added in the state and pricing levels are still high. Arizona milk production is being affected by very hot weather in the state. Cow comfort is trying to be controlled by heat abatement measures, but when temperatures top 110, these are less effective. Western cream markets are unsettled over the holiday week. Some ice cream plants were down for an extra day, which affected demand. Multiples were reported in the 120 to 132 range, FOB West. Conditions are warm in the Pacific Northwest, but not bad enough to impact current milk production. Output in the region continues to be strong, however plants are having no problems handling available offerings. The start up of a new plant in the region has been delayed a few days to insure that all systems are in good working order before tests are run. Crops look good in the region. Hay prices continue to firm. Much more stress is beginning to be noted on herds in Utah and Idaho. Many new temperature records were set (some from 65 years ago) in Utah between 100 and 110 degrees this week. Nights are not cooling off enough to help as much. Temperatures in the low 100's were also common over the dairy areas of Idaho. Things are hot and dry enough now that crops under sprinklers are still suffering because growers can't get enough water on fast enough to stabilize conditions. Row crops are suffering the most, but alfalfa is also under stress. Irrigation canal systems in Idaho are beginning to send out shut down notices effective over the next few weeks. These shut downs will have a huge impact on feed supplies. To compound this problem is the fact that about 154,000 acres were pulled out of normal crop production because of the early season power buyout. Hay prices are already firm and expected to increase further. Buyers are starting to go to areas to find hay that are out of their normal procurement areas. This, of course, disrupts buyers that normally purchase in those areas. Hay survey prices for June are up about \$20/ton.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 07/05/01 and represent FOB Central and Western production areas. Prices represent CL/TL quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are mixed and the market continues to trend unsettled. CCC movement from the week prior at the 90 cent level, encouraged some trade negotiations lower for the current week. Lack of movement into the CCC for the current week moved the bottom of the range higher. Some firms cleared supplies for the remainder of the month at a slight discount and are again offering additional loads at previously reported prices. Others are finding negotiations difficult and reporting light trading, especially with West coast supplies undercutting the market on a delivered basis. High heat demand is good and supplies are limited. Production of human food, nonfat dry milk during May 2001 totaled 139.1 million pounds, up 0.93% from May 2000 and 6.0% above April 2001. Month ending stocks, at 136.8 million pounds, are 39.5% below a year ago but 7.8% higher than April 2001.

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: .9900 - 1.0650 MOSTLY: 1.0000 - 1.0250

DRY BUTTERMILK - CENTRAL

Prices are unchanged and nominal on a mostly steady market. Dry buttermilk production is very light as the bulk of condensed buttermilk supplies are readily clearing into ice cream facilities. Manufacturer sales are light. Resale product is being traded at \$1.0100 - \$1.0500 F.O.B. Increased offerings of resale product are a suspected result of handler anxiety with respect to changes in the NDM market. Some manufacturers have product to clear but are not concerned of their stocks and thereby unwilling to discount. Others are willing to clear at prices slightly below the average for the light interest. Dry buttermilk production during May 2001 totaled 4.8 million pounds, up 1.9% from May 2000 and 1.1% higher than April 2001. Month ending stocks, at 4.7 million pounds, are 3.6% above last year and 26.0% higher than last month.

BUTTERMILK: 1.0550 - 1.1400

DRY WHEY - CENTRAL

Prices are unchanged on a steady to firm market. Most manufacturers are reporting tight supplies and minimal spot load activity. However, traders report that manufacturer supplies are available at the average and at premiums lower than reported in previous weeks. Traders are also reporting that resale supplies are heavy and offerings are increasing. Production is steady with some changes in condensed movement as plants adjust schedules for the holiday. Movement is best into feed accounts. Some contractual buyers are also seeking additional loads. Production of human food, dry whey during May 2001 totaled 93.8 million pounds, 7.0% less than May 2000 but 3.7% above April 2001. Month ending stocks, at 31.2 million pounds, are 35.5% below a year ago and 3.5% less than April 2001.

NONHYGROSCOPIC: .2900 - .3075 MOSTLY: .2925 - .2975

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged to higher and nominal on a generally steady market. Milk replacer supplies are again more available than the week prior. Demand is good and production is heavier as hot, humid weather encourages off grade output. The roller ground market is unchanged reflecting the stagnant Extra Grade market. Delactose demand is good and production is steady to lower due to manufacture delays in the warmer weather. Producers are satisfying contractual needs but fail to meet additional requests for product. U.S. inventory of all hogs and pigs on June 1, 2001, was 59.1 million head. This was slightly below June 2000, but 1% above May 1, 2001. Production of animal feed dry whey during May 2001 totaled 6.1 million pounds, 12.3% lower than a year ago and 2.2% less than April 2001. Month ending stocks, at 5.0 million pounds, are 15.8% below a year ago but 13.9% higher than last month.

MILK REPLACER: .2500 - .2850

ROLLER GROUND: .2800 - .3075

DELACTOSE (Min. 20% protein): .4150 - .4300

LACTOSE - CENTRAL AND WEST

Prices are higher on a firm market. Most third quarter negotiations have been finalized. While some manufacturers gained substantial price increases, traders are sometimes finding it difficult to market lactose at higher prices, especially into export markets. Inquiries are heavy with requests from Asia, South America and the EU. Supplies are reportedly tight in the EU, reducing US competition on export markets. Production is steady to lower as some firms adjust and upgrade equipment. Domestic movement is fair. Feed buyers are searching for Extra or off grade substitutes to whey. Permeate markets are firming with heavy loads clearing into export markets at prices comparable to the lactose market. Lactose production during May 2001 totaled 51.3 million pounds, up 9.6% from May 2000 and 11.4% above April 2001. Month ending stocks, at 25.1 million pounds, are 7.0% lower than a year ago and 4.3% below last month. Production totals for selected regions with changes from 2000 include: East North Central, 10.0 million pounds, N.A.; West North Central, 16.0 million pounds, -2.8%; West, 23.2 million pounds, +14.9%.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1750 - .2575 MOSTLY: .1950 - .2200

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged to lower on a steady to weak market as the trade continues to await the 7/12/01 sell back announcement. Plenty of offerings are being reported at prices 4-5 cents below the average. However, when inquiring with the producer end, no discounts are being reported with the exception of problem supplies that were packaged for vealers who now refuse to take the loads. To clear these loads, the product either needs to be re-bagged or discounted. Unconfirmed trades of WPC at 3-4 cents below the average into export markets are being reported. Premiums continue to be reported on domestic trade with ice cream generating the best interest. Off grade supplies are heavier than the week prior for the good demand. Production of human food WPC during May 2001 totaled 25.4 million pounds, up 2.3% from May 2000 and 9.2% above April 2001. Manufacturers end-of-month stocks totaled 12.2 million pounds, 5.9% lower than a year ago and 2.3% below last month. Production totals for selected states with changes from 2000 include: California, 8.2 million pounds, +11.6%; Minnesota, 3.8 million pounds, -11.3%; and Wisconsin, 4.3 million pounds, +8.8%.

EXTRA GRADE 34% PROTEIN: .7600 - .8250 MOSTLY: .7900 - .8000

NONFAT DRY MILK - WEST

Low/medium heat prices are slightly lower and the market tone remains weak. There were additional offerings this week to the CCC, which surprise many industry observers who had been told that there would only be one-time offerings to clear current stocks. The 89.5-cent price at the bottom of the range reflects the X-bag price paid by CCC for support offerings. Activity in the spot market remains rather light as end users work through inventories before making purchases. Contracted pricing levels are often above the \$1.00 level and those buyers are reluctant to buy any volumes beyond contract minimum. Beyond to the support price offering, the lowest reported spot prices remain in the mid-90 cents. Hot weather and lower milk receipts were affecting production in the region. No news has come out on the new DEIP program allocations, but volumes are expected to remain the same as last year. There are questions on the level of bonuses that will be allowed. High heat prices are unchanged and nominal in very limited spot trading. Producers have product to fill needs, but most current orders are under contract. U.S. NDM production in May totaled 139.2 million pounds, up 0.9% from last year and 6.0% higher than April. May production in the West region totaled 98.3 million pounds, up 2.1% from last year. California totaled 61.8 million pounds, up 3.3% from last year. U.S. stocks at the end of May were reported at 136.8 million pounds, down 39.5% from last year but up 7.8% from last month. During the week of June 25 - 29, CCC purchased 15.9 million pounds of Western and 0.4 million pounds of Midwestern nonfortified NDM.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: .8950 - 1.0225 MOSTLY: .9600 - 1.0150

HIGH HEAT: 1.0300 - 1.0700

DRY BUTTERMILK - WEST

Dry buttermilk prices are unchanged in light spot trading. The market tone is steady, but there are buyers that are watching the wide spread between buttermilk and NDM. Production levels remain light in the region. Offerings at the producer level are limited. U.S. dry buttermilk production in May totaled 4.8 million pounds, up 1.9% from last year and 1.1% higher than April. Stocks at the end of May were reported at 4.7 million pounds, up 3.6% from a year earlier and 26.0% higher than April.

BUTTERMILK: 1.0400 - 1.1000 MOSTLY: 1.0500 - 1.0800

DRY WHEY - WEST

Western whey prices held steady during this holiday shortened week. Stocks are generally in close balance at the producer level. Offerings are clearing easily. Export shipments are about steady. The recent whey tender will likely be sourced from Eastern Europe. Some contacts are noting that US prices are now high enough that price resistance for export sales is becoming more of a factor. May US whey production totals 93.8 million pounds, down 7.0% from last year. Stocks at the end of May stand at 31.2 million pounds, down 35.5% from a year earlier. Western whey production totaled 30.1 million pounds, up 1.5% from a year earlier.

NONHYGROSCOPIC: .2500 - .2800 MOSTLY: .2650 - .2725

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	POUNDS
June 29	\$0.9893	7,850,715
June 22	\$1.0025	8,340,586

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities for domestic and export sales in 25 kg. or 50 lb. bags, and totes, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Despite a holiday-shortened week, the NDM market continues to garner industry attention. Pricing levels are slightly lower and remain nominal in the Northeast. However, buyers are aware of additional Western powder sales to the CCC at the 90-cent price. Commercial selling prices have not approached that level in the East nor other areas, but the implications are confusing. End users are seeing no upward risk in the market and clearing inventories. They would like to be able to buy NDM at the CCC price, but also understand that the government offerings will eventually lower contracts prices. Producers that are selling to the CCC would like to continue the present two-tier marketing. The impact in the East is not evident, because of tight supplies. The trade is also awaiting the new DEIP year allocations and is speculating on the implications the DEIP program will have on current market conditions. Production is only slightly higher with surplus milk from the holiday, but buyers are continuing to look to other regions and resellers to fill orders. Producers' stocks in the region are limited and often committed. Production of human food, nonfat dry milk during May 2001 totaled 139.1 million pounds, up 0.9% from May 2000 and 6.0% above April 2001. Month ending stocks, at 136.8 million pounds, are 39.5% below a year ago but up 7.8% from a month ago.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0300 - 1.0900 MOSTLY: 1.0350 - 1.0550

HIGH HEAT: 1.0575 - 1.1100 MOSTLY: 1.0625 - 1.0825

DELVD SOUTHEAST:

ALL HEATS: 1.0600 - 1.1500

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Dry buttermilk prices are unchanged and remain nominal. The combination of lighter churning schedules and better sales of condensed buttermilk continue to prevent much additional production of dry buttermilk. Some ice cream plants were down a day or two over the holiday week, which caused some additional cream to go to the churns. Stocks at the plant level are light with some offerings available through resale channels. Dry buttermilk production during May 2001 totaled 4.8 million pounds, up 1.9% from May 2000 and 1.1% more than April 2001. Month ending stocks, at 4.7 million pounds, are 3.6% more than last year and 26.0% more than a month ago.

F.O.B. NORTHEAST: 1.0450 - 1.0600

DELVD SOUTHEAST: 1.0850 - 1.1550

DRY WHOLE MILK - NATIONAL

Prices moved higher following monthly price adjustments reflecting higher Federal Order and state prices for milk. Supply and demand are in balance at light levels. Spot interest is generally limited and more orders fall under contracts. Stock levels are in good shape at the producer level. Dry whole milk production during May 2001 totaled 3.1 million pounds, down 73.4% from May 2000 and 6.4% lower than April 2001. Month ending stocks are not reported for this product.

F.O.B. PRODUCING PLANT: 1.4650 - 1.6000

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2000 THROUGH JUNE 29, 2001
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK - 68,201 MT (150,355,925 LBS)
This program-year allocation is filled.

CHEESE - 3,030 MT (6,679,938 LBS)
This program-year allocation is filled.

Allocations for the DEIP year beginning July 1, 2000: Nonfat dry milk - 68,201 MT; Cheese - 3,030 MT; Butterfat - 21,097 MT.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are unchanged and remain nominal. The holiday-shortened week did affect sales and shipments. Production plants' operating schedules were mixed; some saw some surplus milk while others are seeing milk volumes decline. Producers continue to have limited amounts of whey available for spot movements. Demand is fair to good for current offerings and additional demand is often filled through resale channels or from other regions. The market tone is firm and prices steady to slightly higher. Production of human food, dry whey during May 2001 totaled 93.8 million pounds, 7.0% less than May 2000 but 3.7% above April 2001. Month ending stocks, at 31.2 million pounds, are 35.5% below last year and 3.5% less than a month ago. Production of animal feed, dry whey during May totaled 6.1 million pounds, 12.3% less than a year ago and 2.2% below last month.

F.O.B. NORTHEAST: EXTRA GRADE .2950 - .3000

USPH GRADE A .2900 - .3100

DELVD SOUTHEAST: .3175 - .3425

EVAPORATED MILK - NATIONAL

Prices are unchanged, but the market tone is slightly firmer following the June Class III milk price increasing \$1.19. However, demand remains seasonally light and promotional activity is limited. Canned evaporated milk production during May 2001 totaled 34.1 million pounds, 9.3% less than May 2000 and 11.8% less than April 2001. Month ending stocks, at 59.2 million pounds, are 3.7% more than a year ago and 0.4% above last month.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED

MAJOR U.S. CITIES \$22.00 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

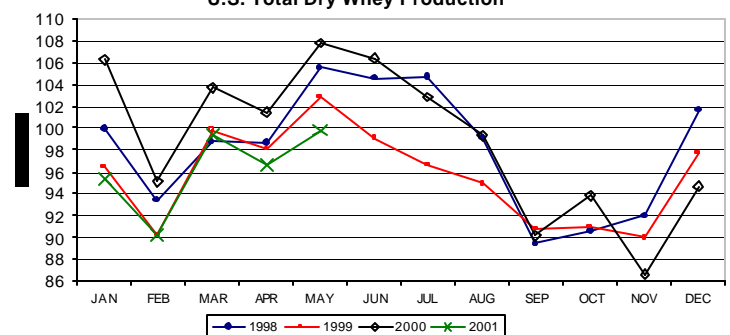
Casein markets remain firm with prices unchanged to higher. Firm prices are causing some buyers to closely watch prices and question how high will they continue to go. In instances, some product formulation changes are now starting to occur due to high and increasing prices. Some rennet buyers are also looking at current cheese prices and questioning analog cheese sales in relationship to natural cheese prices. Although shipments are being delayed, delayed shipments are arriving on more of a regular pattern. Stock levels were greatly reduced during the first half of the year and recent arrivals allowed for some inventories to once again be re-established.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 2.4500 - 2.7300

ACID: 2.4500 - 2.6500

U.S. Total Dry Whey Production



Graph USDA, DMN / Source USDA, NASS

CHICAGO MERCANTILE EXCHANGE FUTURES

Selected settling prices, (open interest), and volume 1/

Month	06/20	06/21	06/22	06/25	06/26	06/27	06/28	06/29	07/02	07/03	07/04
CME - (CLASS III) MILK FUTURES -- Dollars per cwt.											
JUN 01	14.90 (2384) 174	14.98 (2389) 2	14.98 (2282) 110	15.00 (2281) 2	15.00 (2285) 4	15.05 (2284) 8	15.03 (2226) 0	15.02			
JUL 01	15.10 (2871) 44	15.27 (2870) 24	15.05 (2873) 24	14.95 (2878) 30	14.85 (2869) 137	14.65 (2856) 59	14.70 (2863) 19	14.81 (2875) 15	15.00 (2880) 50	14.95	NO TRADING
AUG 01	14.19 (2839) 60	15.06 (2840) 41	14.84 (2836) 28	14.70 (2847) 25	14.65 (2856) 38	14.40 (2847) 37	14.43 (2847) 8	14.43 (2851) 8	14.70 (2841) 10	14.60	
SEP 01	14.15 (2767) 84	15.10 (2794) 73	15.00 (2783) 12	14.75 (2797) 27	14.65 (2797) 3	14.40 (2812) 37	14.45 (2811) 17	14.50 (2813) 16	14.71 (2821) 15	14.60	
OCT 01	13.35 (2315) 73	13.95 (2316) 49	13.70 (2315) 10	13.41 (2341) 33	13.39 (2347) 7	13.25 (2340) 32	13.32 (2340) 15	13.35 (2345) 28	13.70 (2343) 16	13.70	
NOV 01	12.33 (1784) 46	12.87 (1778) 38	12.66 (1774) 43	12.50 (1800) 53	12.48 (1802) 5	12.36 (1796) 39	12.45 (1797) 9	12.54 (1802) 21	12.75 (1799) 23	12.76	
DEC 01	11.83 (1471) 15	12.30 (1476) 20	12.12 (1481) 11	12.01 (1489) 22	11.97 (1489) 2	11.95 (1493) 23	12.01 (1496) 9	12.09 (1513) 27	12.35 (1514) 3	12.40	
JAN 02	11.33 (383) 2	11.62 (383) 4	11.50 (383) 3	11.50 (391) 11	11.45 (393) 5	11.35 (402) 19	11.40 (403) 2	11.40 (403) 4	11.45 (401) 0	11.50	
FEB 02	11.25 (274) 3	11.35 (274) 2	11.30 (276) 21	11.30 (287) 13	11.25 (287) 0	11.20 (289) 2	11.18 (290) 1	11.18 (289) 0	11.23 (290) 3	11.32	
MAR 02	11.30 (212) 2	11.40 (212) 0	11.39 (213) 2	11.30 (228) 15	11.30 (228) 0	11.30 (228) 0	11.30 (228) 0	11.30 (228) 0	11.30 (228) 1	11.40	
APR 02	11.30 (125) 1	11.30 (125) 0	11.35 (126) 1	11.35 (126) 10	11.30 (128) 2	11.25 (129) 1	11.25 (129) 0	11.25 (129) 0	11.32 (129) 0	11.32	
MAY 02	11.55 (78) 1	11.61 (82) 4	11.61 (82) 0	11.61 (87) 10	11.55 (87) 5	11.45 (87) 0	11.45 (87) 0	11.45 (87) 0	11.45 (87) 0	11.45	
JUN 02	11.75 (40) 0	12.00 (43) 8	12.00 (44) 3	12.00 (51) 8	12.00 (56) 6	11.95 (56) 0	11.95 (56) 0	11.95 (56) 0	11.95 (56) 0	11.95	
JUL 02	12.14 (3) 0	12.14 (4) 1	12.20 (5) 1	12.20 (5) 0	12.20 (5) 0	12.20 (5) 0	12.20 (5) 0	12.20 (5) 0	12.20 (5) 0	12.20	
AUG 02	12.56 (1) 0	12.56 (2) 1	12.60 (2) 0	12.60 (2) 0	12.60 (2) 0	12.60 (2) 0	12.60 (2) 0	12.60 (2) 0	12.60 (2) 0	12.60	

CME - CLASS IV MILK FUTURES - Dollars per cwt.

JUN 01	15.25 (314) 0	15.25 (314) 0	15.25 (314) 3	15.25 (315) 1	15.25 (321) 12	15.25 (321) 0	15.25 (317) 0	15.33			
JUL 01	15.30 (344) 0	15.25 (344) 0	15.25 (345) 1	15.35 (346) 1	15.36 (346) 0	15.25 (351) 5	15.35 (351) 1	15.30 (351) 0	15.30 (351) 0	15.30	NO TRADING
AUG 01	14.85 (314) 10	14.50 (315) 1	14.30 (318) 3	14.60 (319) 1	14.61 (319) 0	14.61 (324) 11	14.71 (324) 0	14.71 (325) 1	14.70 (325) 1	14.70	
SEP 01	14.75 (271) 10	14.50 (272) 1	14.31 (272) 0	14.60 (272) 1	14.60 (272) 3	14.55 (277) 9	14.65 (277) 0	14.65 (277) 0	14.65 (277) 0	14.65	
OCT 01	14.40 (349) 6	14.20 (349) 6	14.15 (349) 6	14.20 (349) 1	14.20 (349) 2	14.20 (353) 9	14.21 (353) 0	14.21 (353) 0	14.21 (353) 0	14.21	
NOV 01	14.19 (265) 0	14.00 (265) 0	14.00 (254) 25	14.20 (254) 1	14.20 (254) 0	14.20 (246) 8	14.20 (246) 0	14.20 (246) 0	14.20 (246) 0	14.20	
DEC 01	13.86 (123) 0	13.60 (123) 0	13.50 (126) 5	13.50 (128) 3	13.55 (128) 0	13.55 (128) 0	13.55 (128) 2	13.45 (128) 2	13.35 (128) 4	13.35	
JAN 02	13.10 (1) 0	13.10 (1) 0	13.10 (1) 0	13.10 (7) 6	13.00 (7) 0	13.00 (7) 0	13.00 (7) 1	12.90 (10) 3	12.90 (10) 0	12.90	

CME - BUTTER FUTURES -- Cents per pound

JUL 01	200.00 (128) 0	195.00 (124) 9	190.00 (124) 0	195.00 (129) 5	195.00 (131) 6	200.00 (131) 0	200.00 (130) 4	199.00 (131) 2	195.00 (131) 2	195.00	NO TRADING
SEP 01	200.25 (99) 0	198.00 (98) 1	197.00 (98) 0	197.00 (100) 2	196.00 (100) 1	201.00 (100) 0	201.00 (99) 1	200.00 (100) 1	197.00 (100) 0	197.00	
OCT 01	192.00 (12) 2	187.00 (12) 0	187.00 (12) 0	187.00 (12) 0	188.00 (14) 2	190.00 (15) 1	195.00 (15) 2	195.00 (15) 0	195.00 (15) 0	195.00	
DEC 01	167.00 (3) 0	163.00 (3) 0	161.00 (3) 0	161.00 (3) 0	161.00 (3) 0	165.00 (3) 0	168.00 (3) 0	168.00 (3) 0	168.00 (3) 0	168.00	

CME - NONFAT DRY MILK FUTURES -- Cents per pound

JUL 01	96.10 (3) 0	96.15 (3) 0	96.20 (3) 0	96.22 (3) 0	96.22 (3) 0	96.22 (3) 0	96.22 (3) 0	96.22 (3) 0	96.22 (3) 0	96.22	NO TRADING
AUG 01	96.00 (5) 0	96.00 (5) 0	96.00 (5) 0	96.00 (5) 0	96.00 (5) 0	96.00 (5) 2	95.75 (5) 0	95.75 (5) 0	95.75 (5) 0	95.75	
SEP 01	96.00 (5) 0	96.00 (5) 0	96.00 (5) 0	96.00 (5) 0	96.00 (5) 0	96.00 (6) 2	95.72 (6) 0	95.70 (6) 0	95.70 (6) 0	95.70	
OCT 01	94.00 (7) 0	94.00 (7) 0	94.00 (7) 0	94.00 (7) 0	94.00 (7) 0	94.00 (9) 2	93.75 (9) 0	93.75 (9) 0	93.75 (9) 0	93.75	
NOV 01	94.00 (4) 0	94.00 (4) 0	94.00 (4) 0	94.00 (4) 0	94.00 (4) 0	94.00 (6) 2	93.75 (6) 0	93.75 (6) 0	93.75 (6) 0	93.75	
DEC 01	94.00 (4) 0	94.00 (4) 0	94.00 (4) 0	94.00 (4) 0	94.00 (4) 0	94.00 (6) 2	93.75 (6) 0	93.75 (6) 0	93.75 (6) 0	93.75	

1/ At the CME open interest for milk -- 200,000 pounds per contract. For more detailed information, you may call our automated voice system at 608-224-5088.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered June 25 - July 06, 2001

Prices are U.S. Dollars per MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

OVERVIEW: WESTERN EUROPE: Milk production in most all areas of Europe is on the downhill side of the seasonal peak. Some reports are indicating that current milk volumes are almost at levels of last year at this time. Although milk output is keeping pace with a year ago, overall milk volumes are short of desired needs. Manufacturers and handlers remain very competitive in procuring sufficient volumes of milk to maintain steady production schedules and generate sufficient stocks for needs. At this time, cheese demand is strong, thus a significant portion of the available milk supply is clearing to this market. Reports indicate that some producers of other manufactured dairy products are having difficulty in maintaining steady production schedules. Stocks of Western European dairy products are basically short of desired levels. In most instances, stocks are sufficient to meet domestic demand with minimal volumes available for spot international buyer interest. Prices are mixed. Skim milk powder pricing is probably the most unsettled. The recent support adjustment in the U.S. on skim milk powder is causing international producers and buyers to closely monitor market developments. At the present time, European producers, handlers, and traders do not have a good feel as to where the U.S. domestic market is. Surplus skim powder is being offered to the dairy support program at a lower price than product is being quoted for sale on a domestic or international basis. Due to this uncertainty, some European international sales are being lost, due to some buyers indicating that they might be able to source their needs from the U.S. at lower prices than currently being quoted. Another factor being closely monitored is what impact the DEIP program and its' bonuses in the U.S. will have on future sales once announced.

BUTTER/BUTTEROIL: European butter and butteroil markets are firm. Churning activity throughout most of Europe is down in comparison to last season. Most of this down turn in output is attributed to lack of milk for most manufactured dairy products. Butter stocks are reported to be building, although lighter than desired and lower than last year at this time. At this point, producers and handlers feel that stocks will be sufficient to meet domestic or internal needs with minimal volumes available for international spot buyer interest.

82% BUTTERFAT: 1,450 - 1,630
99% BUTTERFAT: 1,550 - 1,700

SKIM MILK POWDER (SMP): Skim milk powder markets are mixed. Prices are generally steady to slightly lower. An unsettled market undertone prevails in the market place as European producers and handlers monitor prices and potential sales out of the United States. The recent support price adjustment in the U.S. potentially might lower the price level that international buyers are willing to pay. The adjustment became effective June 1, thus many indicate that it is still too early to realize the full impact of this move on the international market. European stocks remain in close balance to short of desired levels.

1.25% BUTTERFAT: 2,050 - 2,150

WHOLE MILK POWDER (WMP): Whole milk powder markets are generally steady, although prices are slightly lower on the top of the reported range. Demand for whole milk is fairly active, especially for instantized powder. Production is lighter than desired due to the lack of sufficient milk supplies for all needs. Stocks are limited and basically clearing upon production.

26% BUTTERFAT: 1,950 - 2,050

SWEET WHEY POWDER: European whey markets are generally steady with prices adjusting slightly. Cheese production in Europe remains strong, thus whey stocks are readily available for buyer interest. The results of the recent Japanese whey tender have been announced, but the source is unknown. Some speculate that Eastern Europe is the source, although some state that this is not the case.

NONHYGROSCOPIC: 440 - 475

OVERVIEW: EASTERN EUROPE: Milk production patterns in Eastern Europe are also on the downward side. As in Western Europe, Eastern European stocks are lighter than desired. Current milk production is being absorbed by manufacturing plants that is generating product for basically domestic needs. With stocks at a low point early in the season, current year production is once again replenishing or re-establishing a workable inventory position. Producers and handlers indicate that it is still early to project what volume of product might be available for international buyer interest down the road.

OCEANIA

OVERVIEW: In both Australia and New Zealand, the milk production season has now ended. Previous production estimates are holding about the same for the season. In New Zealand, production is estimated to be 7.8% ahead of last season, while in Australia, production has lagged last season by 2-3%. Reports indicate that both countries experienced a stronger finish to the season, thus recovering some of the earlier season losses. Oceania prices are mixed, reacting to various factors from other parts of the world. Skim milk powder prices are steady to slightly lower. The recent adjustment in the U.S. to the CCC support price for skim milk powder is not having a significant impact on world prices at this time. Producers, handlers, and traders are stating that they do not know where current U.S. prices are really at, thus no major adjustments are occurring at this time. The recent European subsidy adjustments are giving an overall firming affect to their prices thus stability/strength to international prices. Lower than desired milk production in Europe is not allowing significant volumes of additional manufactured dairy products to be generated, thus overall surplus dairy products for international buyer interest are limited. Oceania stocks remain basically fully committed, thus no additional volumes of manufactured dairy products will come available until the new milk production season resumes in August/September at the earliest. Traders report that new international buyer interest is slow, with most Oceania trading activity centering around previous and ongoing commitments.

BUTTER: Oceania butter prices are steady to firm. Recent subsidy adjustments in Europe and an overall limited supply are giving strength to prices. Oceania stocks are also basically fully committed. The milk production season has now ended, thus shipments for the next 2-3 months will be filled from inventoried stocks. Late season sales of surplus butter from the Oceania region to the U.S., for the most part, cleaned out any additional butter available from this region.

82% BUTTERFAT: 1,350 - 1,500

CHEDDAR CHEESE: Oceania cheese markets remain steady to firm. Prices are unchanged to slightly higher. Cheese demand remains strong from regular and ongoing customers. Stocks are reported to be in close balance for new buyer interest, although producers and handlers feel that they will have adequate stocks to carry them through the winter months before the new milk production season resumes in a few months.

39% MAXIMUM MOISTURE: 2,175 - 2,300

SKIM MILK POWDER (SMP): Oceania skim milk powder markets are mixed. Prices are steady to slightly lower; but most producers, handlers, and traders do not foresee a significant adjustment for the near term. Price weakness is being attributed to the recent support price adjustment in the U.S., but the domestic price level in the States is still unclear. Uncommitted stocks of skim milk powder for international needs are limited, thus giving stability/strength to current prices. International buyer interest is slow at this time due to the knowledge of buyers that stocks are tight.

1.25% BUTTERFAT: 2,075 - 2,150

WHOLE MILK POWDER (WMP): Whole milk powder markets are generally steady, although prices have adjusted slightly lower. Many Oceania producers and handlers indicate that it is still early to predict what impact recent adjustments in the U.S. and Europe will have on international pricing and demand. Stocks of whole milk powder for new buyer needs are limited, thus Oceania traders do not anticipate any significant price adjustments at this time.

26% BUTTERFAT: 2,025 - 2,150

Exchange rates for selected foreign currencies: JULY 02, 2001

.3843 Dutch Guilder	.4330 German Mark
.1291 French Franc	.4067 New Zealand Dollar
.1108 Mexican Peso	.5106 Australian Dollar
1.4161 British Pound	.0080 Japanese Yen
.2497 Polish Zloty	.8470 Euro

To compare the value of 1 US Dollar to Mexican Pesos: (1/.1108)= 9.0253
That is 1 US Dollar equals 9.0253 Mexican Pesos.
Source: "Wall Street Journal"

MONTHLY SUMMARY AND AVERAGES FOR JUNE 2001 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	::REPORT NUMBER 22	::REPORT NUMBER 23	::REPORT NUMBER 24	::REPORT NUMBER 25	::REPORT NUMBER 26	::2001	: 2000
	::-----	::-----	::-----	::-----	::-----	::Average	:Average
	:: JUN 01	:: JUN 04 - 08	:: JUN 11 - 15	:: JUN 18 - 22	:: JUN 25 - 29	:: or Total	:or Total
CHEESE							
MIDWEST COMMODITY CHEDDAR							
-- Cheddar Barrels	:: 1.5800	- 1.6025 :: 1.6175	- 1.6300 :: 1.6150	- 1.6300 :: 1.6200	- 1.6350 :: 1.5900	- 1.6425 :: 1.6210	: 1.1722
-- Cheddar 40# Blocks	:: 1.6125	- 1.6425 :: 1.6375	- 1.6750 :: 1.6500	- 1.6800 :: 1.6600	- 1.6900 :: 1.6675	- 1.6975 :: 1.6677	: 1.2002
WISCONSIN (WSP, Delivered, LTL)							
-- Process American 5# Loaf	:: 1.7900	- 1.9500 :: 1.8275	- 1.9500 :: 1.8350	- 1.9800 :: 1.8400	- 1.9800 :: 1.8475	- 2.0200 :: 1.9081	: 1.3975
-- Brick And/Or Muenster 5#	:: 1.9100	- 2.2075 :: 1.9100	- 2.2325 :: 1.9500	- 2.2450 :: 1.9500	- 2.2550 :: 1.9900	- 2.2625 :: 2.0974	: 1.5740
-- Cheddar 40# Block	:: 1.9100	- 2.1150 :: 1.9100	- 2.1150 :: 1.9400	- 2.1150 :: 1.9400	- 2.1150 :: 1.9800	- 2.1150 :: 2.0280	: 1.7593
-- Monterey Jack 10#	:: 2.1400	- 2.2350 :: 2.1400	- 2.2600 :: 2.1400	- 2.2725 :: 2.1400	- 2.2825 :: 2.1400	- 2.2900 :: 2.2071	: 1.8593
-- Blue 5#	:: 2.3525	- 2.5400 :: 2.3750	- 2.5400 :: 2.3900	- 2.5700 :: 2.4000	- 2.5700 :: 2.4075	- 2.6100 :: 2.4811	: 1.9265
-- Mozzarella 5 - 6#	:: 1.9200	- 2.2150 :: 1.9200	- 2.2150 :: 1.9600	- 2.2150 :: 1.9600	- 2.2150 :: 2.0000	- 2.2150 :: 2.0865	: 1.8348
-- Grade A Swiss Cuts 6 - 9#	:: 2.1450	- 2.6850 :: 2.1450	- 2.6850 :: 2.2450	- 2.6850 :: 2.2450	- 2.6850 :: 2.4000	- 2.6850 :: 2.4692	: 2.3425
NORTHEAST (WSP, Delivered, LTL)							
-- Cheddar 10# Prints	:: 1.6575	- 2.1275 :: 1.6825	- 2.1525 :: 1.6950	- 2.1650 :: 1.7050	- 2.1750 :: 1.7125	- 2.1825 :: 1.9318	: 1.4402
-- Cheddar Single Daisies	:: 1.6150	- 2.0750 :: 1.6400	- 2.1000 :: 1.6525	- 2.1125 :: 1.6625	- 2.1225 :: 1.6700	- 2.1300 :: 1.8843	: 1.3940
-- Cheddar 40# Block	:: 1.7525	- 1.9350 :: 1.7775	- 1.9600 :: 1.7900	- 1.9725 :: 1.8000	- 1.9825 :: 1.8075	- 1.9900 :: 1.8830	: 1.3966
-- Process 5# Loaf	:: 1.7825	- 1.9425 :: 1.8175	- 1.9775 :: 1.8275	- 1.9875 :: 1.8325	- 1.9850 :: 1.8400	- 2.0000 :: 1.9063	: 1.4526
-- Process 5# Sliced	:: 1.8025	- 2.0575 :: 1.8375	- 2.0925 :: 1.8475	- 2.1050 :: 1.8525	- 2.1100 :: 1.8600	- 2.1175 :: 1.9755	: 1.5151
-- Muenster	:: 1.8175	- 2.0250 :: 1.8425	- 2.0500 :: 1.8550	- 2.0625 :: 1.8650	- 2.0725 :: 1.8725	- 2.0800 :: 1.9605	: 1.5177
-- Grade A Swiss Cuts 10 - 14#	:: 2.3500	- 2.5500 :: 2.3500	- 2.5500 :: 2.3500	- 2.5500 :: 2.3500	- 2.5500 :: 2.3500	- 2.5500 :: 2.4500	: 2.4500
WEST COAST (WSP, Delivered, LTL)							
-- Process 5# Loaf	:: 1.7225	- 1.9825 :: 1.7575	- 2.0175 :: 1.7650	- 2.0250 :: 1.7700	- 2.0300 :: 1.7775	- 2.0375 :: 1.8954	: 1.4384
-- Cheddar 40# Block	:: 1.7350	- 1.8975 :: 1.7600	- 1.9225 :: 1.7725	- 1.9350 :: 1.7825	- 1.9450 :: 1.7900	- 1.9525 :: 1.8555	: 1.3613
-- Cheddar 10# Cuts	:: 1.9150	- 2.1350 :: 1.9400	- 2.1600 :: 1.9525	- 2.1725 :: 1.9625	- 2.1825 :: 1.9700	- 2.1900 :: 2.0643	: 1.5813
-- Monterey Jack 10#	:: 1.9250	- 2.0850 :: 1.9500	- 2.1100 :: 1.9625	- 2.1225 :: 1.9725	- 2.1325 :: 1.9800	- 2.1400 :: 2.0443	: 1.5613
-- Grade A Swiss Cuts 6 - 9#	:: 2.3500	- 2.5400 :: 2.3500	- 2.5400 :: 2.3500	- 2.5400 :: 2.3500	- 2.5400 :: 2.3500	- 2.5400 :: 2.4450	: 2.3250
FLUID AND DRY PRODUCTS							
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)							
-- Northeast - f.o.b	:: 2.3875	- 2.5976 :: 2.4036	- 2.5942 :: 2.4580	- 2.6531 :: 2.4895	- 2.6871 :: 2.6233	- 2.7635 :: 2.5797	: 1.7448
-- Atlanta - dlvd. equiv.	:: 2.3684	- 2.5785 :: 2.3653	- 2.5561 :: 2.4385	- 2.6141 :: 2.4895	- 2.6673 :: 2.5632	- 2.7635 :: 2.5532	: 1.7162
-- Upper Midwest - f.o.b	:: 2.4257	- 2.5785 :: 2.4798	- 2.5751 :: 2.5550	- 2.6531 :: 2.5882	- 2.6871 :: 2.6233	- 2.7434 :: 2.6078	: 1.7212
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.							
-- Class II	:: 1.0900	- 1.1500 :: 1.0800	- 1.1500 :: 1.0500	- 1.1500 :: 1.0500	- 1.1500 :: 1.0500	- 1.1500 :: 1.1045	: 1.0475
-- Class III	:: 0.8000	- 0.9600 :: 0.8000	- 0.9600 :: 0.8000	- 0.9600 :: 0.8000	- 0.9600 :: 0.8000	- 0.9600 :: 0.8800	: 0.8489
NATIONAL EVAPORATED MILK (\$ per Case) (Case - 48 - 12 fluid oz cans)							
-- Delivered Major U.S. Cities	::22.0000	-33.0000 ::22.0000	-33.0000 ::22.0000	-33.0000 ::22.0000	-33.0000 ::22.0000	-33.0000 ::27.5000	:26.5000

MONTHLY SUMMARY AND AVERAGES FOR JUNE 2001 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	::REPORT NUMBER 22 ::	REPORT NUMBER 23 ::	REPORT NUMBER 24 ::	REPORT NUMBER 25 ::	REPORT NUMBER 26 ::	2001 : 2000	
	::-----::	-----::	-----::	-----::	-----::	Average	Average
	:: JUN 01 ::	JUN 04 - 08 ::	JUN 11 - 15 ::	JUN 18 - 22 ::	JUN 25 - 29 ::	or Total	or Total
DRY PRODUCTS							
NONFAT DRY MILK							
-- Central (f.o.b.)							
-- Low/Medium Heat	:: 1.0250 - 1.0650 ::	1.0025 - 1.0650 ::	1.0025 - 1.0650 ::	1.0275 - 1.0650 ::	0.9000 - 1.0650 ::	1.0251	1.0122
-- Mostly	:: 1.0250 - 1.0500 ::	1.0275 - 1.0500 ::	1.0275 - 1.0500 ::	1.0275 - 1.0500 ::	1.0275 - 1.0500 ::	1.0387	1.0073
-- West (f.o.b.)							
-- Low/Medium Heat	:: 0.9975 - 1.0325 ::	0.9975 - 1.0325 ::	0.9900 - 1.0300 ::	0.9600 - 1.0250 ::	0.9000 - 1.0250 ::	0.9960	1.0048
-- Mostly	:: 1.0025 - 1.0200 ::	1.0025 - 1.0250 ::	1.0000 - 1.0250 ::	0.9700 - 1.0175 ::	0.9600 - 1.0175 ::	1.0026	1.0050
-- High Heat	:: 1.0400 - 1.0800 ::	1.0450 - 1.0900 ::	1.0450 - 1.0800 ::	1.0300 - 1.0700 ::	1.0300 - 1.0700 ::	1.0576	1.0457
-- Northeast (f.o.b.)							
-- Low/Medium Heat	:: 1.0300 - 1.0850 ::	1.0325 - 1.0900 ::	1.0325 - 1.0900 ::	1.0325 - 1.0900 ::	1.0300 - 1.0900 ::	1.0608	1.0211
-- Mostly	:: 1.0300 - 1.0600 ::	1.0375 - 1.0650 ::	1.0375 - 1.0650 ::	1.0375 - 1.0650 ::	1.0375 - 1.0650 ::	1.0510	1.0195
-- High Heat	:: 1.0575 - 1.1100 ::	1.0600 - 1.1100 ::	1.0600 - 1.1100 ::	1.0600 - 1.1100 ::	1.0600 - 1.1100 ::	1.0849	1.0770
-- Mostly	:: 1.0600 - 1.1000 ::	1.0650 - 1.1000 ::	1.0650 - 1.1000 ::	1.0650 - 1.1000 ::	1.0650 - 1.1000 ::	1.0824	1.0675
-- Southeast (Delvd)							
-- Extra & Grade A	:: 1.0550 - 1.1500 ::	1.0625 - 1.1500 ::	1.0625 - 1.1500 ::	1.0625 - 1.1500 ::	1.0625 - 1.1500 ::	1.1061	1.0700
WHEY POWDER (Nonhygroscopic)							
-- Central (f.o.b.)	:: 0.2750 - 0.2925 ::	0.2800 - 0.2950 ::	0.2900 - 0.3025 ::	0.2900 - 0.3075 ::	0.2900 - 0.3075 ::	0.2948	0.1868
-- Mostly	:: 0.2775 - 0.2825 ::	0.2850 - 0.2900 ::	0.2925 - 0.2975 ::	0.2925 - 0.2975 ::	0.2925 - 0.2975 ::	0.2925	0.1860
-- West (f.o.b.)	:: 0.2500 - 0.2775 ::	0.2500 - 0.2750 ::	0.2500 - 0.2750 ::	0.2500 - 0.2750 ::	0.2500 - 0.2800 ::	0.2632	0.1784
-- Mostly	:: 0.2625 - 0.2675 ::	0.2650 - 0.2700 ::	0.2650 - 0.2700 ::	0.2650 - 0.2700 ::	0.2650 - 0.2725 ::	0.2677	0.1734
-- Northeast Extra Grade (f.o.b.)	:: 0.2725 - 0.2850 ::	0.2800 - 0.2925 ::	0.2875 - 0.2950 ::	0.2950 - 0.3000 ::	0.2950 - 0.3000 ::	0.2924	0.1924
-- Northeast USPH Grade A(f.o.b.)	:: 0.2775 - 0.2900 ::	0.2825 - 0.2900 ::	0.2850 - 0.2925 ::	0.2875 - 0.3050 ::	0.2900 - 0.3100 ::	0.2924	0.1915
-- Southeast Extra Grade (Delvd)	:: 0.2925 - 0.3250 ::	0.3050 - 0.3400 ::	0.3175 - 0.3400 ::	0.3175 - 0.3400 ::	0.3175 - 0.3425 ::	0.3266	0.2199
WHEY PROTEIN CONCENTRATE							
-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	:: 0.7900 - 0.8250 ::	0.7900 - 0.8250 ::	0.7750 - 0.8250 ::	0.7750 - 0.8250 ::	0.7750 - 0.8250 ::	0.8021	0.7471
-- Mostly	:: 0.7900 - 0.8000 ::	0.7900 - 0.8000 ::	0.7900 - 0.8000 ::	0.7900 - 0.8000 ::	0.7900 - 0.8000 ::	0.7950	0.7359
ANIMAL FEED - WHEY							
-- Central (f.o.b.)							
-- Milk Replacer	:: 0.2300 - 0.2725 ::	0.2450 - 0.2800 ::	0.2450 - 0.2875 ::	0.2600 - 0.2800 ::	0.2500 - 0.2800 ::	0.2652	0.1581
-- Roller Ground	:: 0.2575 - 0.2875 ::	0.2650 - 0.2950 ::	0.2725 - 0.3000 ::	0.2800 - 0.3075 ::	0.2800 - 0.3075 ::	0.2877	0.1754
-- Delactose	:: 0.4150 - 0.4300 ::	0.4150 - 0.4300 ::	0.4150 - 0.4300 ::	0.4150 - 0.4300 ::	0.4150 - 0.4300 ::	0.4225	0.3559
BUTTERMILK (Min. 30% protein)							
-- Central (f.o.b.)	:: 1.0550 - 1.1300 ::	1.0550 - 1.1300 ::	1.0550 - 1.1300 ::	1.0550 - 1.1400 ::	1.0550 - 1.1400 ::	1.0949	0.9063
-- West (f.o.b.)	:: 1.0200 - 1.0800 ::	1.0200 - 1.0900 ::	1.0400 - 1.0900 ::	1.0400 - 1.1000 ::	1.0400 - 1.1000 ::	1.0643	0.8486
-- Mostly	:: 1.0400 - 1.0700 ::	1.0400 - 1.0700 ::	1.0500 - 1.0800 ::	1.0500 - 1.0800 ::	1.0500 - 1.0800 ::	1.0621	0.8495
-- Northeast (f.o.b.)	:: 1.0300 - 1.0600 ::	1.0450 - 1.0600 ::	1.0450 - 1.0600 ::	1.0450 - 1.0600 ::	1.0450 - 1.0600 ::	1.0521	0.8941
-- Southeast (Delvd)	:: 1.0550 - 1.1550 ::	1.0850 - 1.1550 ::	1.0850 - 1.1550 ::	1.0850 - 1.1550 ::	1.0850 - 1.1550 ::	1.1193	0.8932
WHOLE MILK POWDER							
-- National (f.o.b.)	:: 1.3925 - 1.5400 ::	1.4400 - 1.6000 ::	1.4400 - 1.6000 ::	1.4400 - 1.6000 ::	1.4400 - 1.6000 ::	1.5174	1.2592
LACTOSE							
-- Central And West (f.o.b.)	:: 0.1675 - 0.2150 ::	0.1675 - 0.2300 ::	0.1675 - 0.2300 ::	0.1675 - 0.2575 ::	0.1675 - 0.2575 ::	0.2049	0.2130
-- Mostly	:: 0.1900 - 0.2000 ::	0.1925 - 0.2025 ::	0.1925 - 0.2025 ::	0.1925 - 0.2025 ::	0.1925 - 0.2025 ::	0.1974	0.1938
CASEIN - Edible - National (f.o.b.)							
-- Nonrestricted - Rennet	:: 2.4500 - 2.6500 ::	2.4500 - 2.6500 ::	2.4500 - 2.6500 ::	2.4500 - 2.6500 ::	2.4500 - 2.6500 ::	2.5500	2.1250
-- Nonrestricted - Acid	:: 2.4500 - 2.6500 ::	2.4500 - 2.6500 ::	2.4500 - 2.6500 ::	2.4500 - 2.6500 ::	2.4500 - 2.6500 ::	2.5500	2.1464

1/ Prices for all products are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing.

CHICAGO MERCANTILE EXCHANGE AVERAGES FOR JUNE 2001

COMMODITY	REPORT NUMBER 22	REPORT NUMBER 23	REPORT NUMBER 24	REPORT NUMBER 25	REPORT NUMBER 26	2001 *	2000 *
	JUN 1	JUN 4 - 8	JUN 11 - 15	JUN 18 - 22	JUN 25 - 29	Monthly Average	Monthly Average
BUTTER*							
-- GRADE AA							
--Monday		1.9500	1.9750	1.9975	2.0100		
--Tuesday							
--Wednesday		1.9500	1.9750	2.0100	2.0100		
--Thursday							
--Friday	1.9100	1.9525	1.9775	2.0000	2.0000	1.9783	1.2440
--Weekly Average**	1.9075	1.9508	1.9758	2.0025	2.0067		
CHEESE*							
-- BARRELS							
--Monday		1.6150	1.6150	1.6250	1.5850		
--Tuesday		1.6150	1.6150	1.6300	1.6000		
--Wednesday		1.6150	1.6150	1.6300	1.5800		
--Thursday		1.6150	1.6250	1.6350	1.5900		
--Friday	1.6150	1.6150	1.6250	1.6175	1.6100	1.6137	1.1901
--Weekly Average**	1.6063	1.6150	1.6190	1.6275	1.5930		
-- 40# BLOCKS							
--Monday		1.6450	1.6500	1.6650	1.6700		
--Tuesday		1.6500	1.6500	1.6650	1.6700		
--Wednesday		1.6500	1.6650	1.6650	1.6700		
--Thursday		1.6500	1.6650	1.6700	1.6700		
--Friday	1.6450	1.6500	1.6650	1.6700	1.6575	1.6599	1.2050
--Weekly Average**	1.6363	1.6490	1.6590	1.6670	1.6675		
NONFAT DRY MILK*							
-- EXTRA GRADE							
--Monday		1.0300	1.0300	1.0300	1.0300		
--Tuesday		1.0300	1.0300	1.0300	1.0300		
--Wednesday		1.0300	1.0300	1.0300	1.0300		
--Thursday		1.0300	1.0300	1.0300	1.0300		
--Friday	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300
--Weekly Average**	1.0300	1.0300	1.0300	1.0300	1.0300		
-- GRADE A							
--Monday		1.0400	1.0400	1.0400	1.0400		
--Tuesday		1.0400	1.0400	1.0400	1.0400		
--Wednesday		1.0400	1.0400	1.0400	1.0400		
--Thursday		1.0400	1.0400	1.0400	1.0400		
--Friday	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0300
--Weekly Average**	1.0400	1.0400	1.0400	1.0400	1.0400		

* Monthly averages are a simple average of all the closes during the month. Weekly and monthly averages are independent calculations.

** Weekly averages are simple averages of the closes during the calendar week and are for information purposes. Should the week be split between two months, the weekly average will appear in the monthly report in which the Friday close is reported.

JUNE AGRICULTURAL PRICES HIGHLIGHTS

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in June 2001 was unchanged at 123. Compared with June 2000, the index is up 3 points (2.5 percent). The index of prices received by farmers for dairy products advanced 6 points during the month of June 2001 to 124. Compared with June 2000, the index was up 30 points (31.9 percent).

Prices received by farmers in June with changes from May were: for All Milk, \$16.20 per hundredweight (cwt.), up \$.80; Fluid Grade Milk, \$16.20 per cwt., up \$.80; and for Manufacturing Grade Milk, \$15.00 per cwt., up \$.70.

SELECTED MILK PRICES, COWS AND DAIRY FEED PRICES, SELECTED STATES AND U.S., JUNE 2001 WITH COMPARISONS

STATE	All-milk price 1/ 3/				Milk cows 5/		Cows 6/		All hay baled 7/	
	Dollars per cwt.		Dollars per cwt.		Dollars per head		Dollars per cwt.		Dollars per ton	
	MAY		JUNE		JUNE		JUNE		JUNE	
	2001 2/	2000 2/	2001 4/	2000 2/	2001	2000	2001 7/	2000 8/	2001	2000
CA	14.31	11.18	15.10	11.61	PRICES PUBLISHED JANUARY, APRIL, JULY AND OCTOBER		41.00	37.50	112.00	81.00
ID	14.10	10.30	15.00	10.60			42.40	38.70	111.00	95.00
MI	15.40	13.00	16.20	12.90			44.50	41.00	54.00	58.00
MN	15.40	11.50	16.20	12.00			46.50	42.00	59.00	62.00
NY	16.20	12.80	16.90	13.00			---	---	99.00	120.00
OH	15.50	12.60	16.10	12.70			42.00	41.20	95.00	105.00
PA	17.00	13.50	17.80	13.70			45.90	41.20	104.00	122.00
TX	16.00	13.10	16.80	13.30			40.80	39.30	81.00	86.00
WA	15.80	12.50	16.40	12.80			---	---	120.00	111.00
WI	15.40	11.20	16.30	11.40			44.30	41.20	48.00	38.00
U.S.	15.40	12.00	16.20	12.30			43.60	40.00	95.80	82.50

1/ Prices are shown at reported butterfat test. 2/ Partially revised. 3/ Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies. 4/ Preliminary. 5/ Animals sold for dairy herd replacement only. 6/ Beef cows and cull dairy cows sold for slaughter. 7/ Mid-month price. 8/ Entire month.

MILK AND OTHER GENERAL PRICE MEASURES, U.S., JUNE 2001 WITH COMPARISONS

ITEM	JUNE 2000	MAY 2001 1/	JUNE 2001 2/
PRICES RECEIVED BY FARMERS , dol. per cwt., at reported butterfat test:			
All milk	12.30	15.40	16.20
Fluid grade milk	12.30	15.40	16.20
Manufacturing grade milk	10.40	14.30	15.00
INDEX NUMBERS (1990-92=100):			
Prices received by farmers for all farm products	98	108	107
Prices received by farmers for dairy products	94	118	124
Prices paid by farmers for commodities and services, interest taxes, and wage rates	120	123	123
Prices paid by farmers for production items	116	120	119
Prices paid by farmers for feed	103	106	104
MILK FEED PRICE RATIO: Pounds of 16% Mixed Dairy Feed equal in value to one pound of milk 3/	2.96	3.38	3.76

1/ Partially revised. 2/ Preliminary. 3/ For this data series, the price of the commercial prepared feed is based on current U.S. prices received for corn, soybeans, and alfalfa hay.

SOURCE: "Agricultural Prices," Pr 1 (6/01), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

MAY 2001 DAIRY PRODUCTS HIGHLIGHTS

BUTTER production was 110.7 million pounds in May, 1.6 percent above May 2000 and 4.4 percent above April 2001. **AMERICAN TYPE CHEESE** production totaled 309.6 million pounds, 3.9 percent below May 2000 but 5.2 percent above April 2001. **TOTAL CHEESE** output (excluding cottage cheese) was 707.5 million pounds, 3.1 percent below May 2000 but 4.8 percent above April 2001. **NONFAT DRY MILK** production, for human food, totaled 139.1 million pounds, 0.9 percent above May 2000 and 6.0 above April 2001. **DRY WHEY** production, for human food, was 93.8 million pounds, 7.0 percent below May 2000 but 3.7 percent above April 2001. **ICE CREAM (hard)** production totaled 79.0 million gallons, 6.0 percent below May 2000 but 0.6 percent above April 2001.

PRODUCTION OF DAIRY PRODUCTS									
PRODUCT	MAY 2001	PERCENT CHANGE FROM:			PRODUCT	MAY 2001	PERCENT CHANGE FROM:		
	1,000 LBS.	MAY 2000	APR 2001	YEAR TO DATE 1/		1,000 LBS.	MAY 2000	APR 2001	YEAR TO DATE 1/
BUTTER	110,653	1.6	4.4	-8.5	YOGURT (PLAIN AND FLAVORED)	181,681	10.8	7.4	---
CHEESE					CONDENSED WHEY, SOLIDS CONTENT 6/				
AMERICAN TYPES 2/	309,642	-3.9	5.2	-5.8	SWEET-TYPE, HUMAN FOOD	12,665	48.4	8.9	---
CHEDDAR	244,833	-5.0	6.1	-6.8	SWEET-TYPE, ANIMAL FEED	885	-34.2	-16.1	---
SWISS	22,266	11.4	6.0	---	DRY WHEY PRODUCTS				
BRICK & MUENSTER	8,018	11.6	7.7	---	DRY WHEY, HUMAN FOOD	93,757	-7.0	3.7	---
CREAM & NEUFCHATEL	56,171	3.5	3.8	---	DRY WHEY, ANIMAL FEED	6,070	-12.3	-2.2	---
HISPANIC	8,003	-1.1	1.5	?	REDUCED LACTOSE AND MINERALS				
MOZZARELLA	229,952	-5.3	6.7	1.5	HUMAN FOOD	9,068	12.9	7.6	---
OTHER ITALIAN TYPES	54,297	-5.9	-5.5	-1.3	ANIMAL FEED	3,468	0.9	9.3	---
TOTAL ITALIAN TYPES	284,249	-5.4	4.1	0.9	LACTOSE, HUMAN FOOD & ANIMAL FEED	51,337	9.6	11.4	---
ALL OTHER TYPES	19,127	6.6	10.3	---	WHEY PROTEIN CONCENTRATE				
TOTAL	707,476	-3.1	4.8	-1.9	HUMAN FOOD	25,359	2.3	9.2	---
COTTAGE CHEESE, CURD 3/	41,257	1.6	12.9	---	ANIMAL FEED	4,228	6.3	2.0	---
COTTAGE CHEESE, CREAM 4/	33,999	5.5	14.0	1.4					
COTTAGE CHEESE, LOWFAT 5/	34,060	4.5	15.1	0.9					
CANNED EVAPORATED & CONDENSED									
WHOLE MILK	34,083	-9.3	-11.8	---	FROZEN PRODUCTS	1,000 GALLONS			
DRY WHOLE MILK	3,095	-73.4	-6.4	---	ICE CREAM (HARD)	78,985	-6.0	0.6	-3.9
NONFAT DRY MILK, HUMAN FOOD	139,147	0.9	6.0	-7.0	ICE CREAM, LOWFAT (HARD)	8,652	-2.5	4.7	---
DRY SKIM MILK, ANIMAL FEED	480	-8.0	33.0	---	ICE CREAM, LOWFAT (SOFT)	31,742	6.4	13.0	---
DRY BUTTERMILK	4,799	1.9	1.1	---	ICE CREAM, LOWFAT (TOTAL)	40,394	4.3	11.1	2.8
					SHERBET (HARD)	5,008	-3.8	16.5	-3.7
					YOGURT (TOTAL)	7,630	-13.8	3.1	-5.7
MANUFACTURERS' STOCKS, END OF MONTH 7/									
PRODUCT	MAY 2001	PERCENT OF:		PRODUCT	MAY 2001	PERCENT OF:		PRODUCT	MAY 2001
	1,000 LBS.	MAY 2000	APR 2001		1,000 LBS.	MAY 2000	APR 2001		1,000 LBS.
DRY WHEY PRODUCTS				WHEY PROTEIN CONCENTRATE				WHEY PROTEIN CONCENTRATE	
DRY WHEY, HUMAN FOOD	31,228	-35.5	-3.5	HUMAN FOOD	12,172	-5.9	-2.3	HUMAN FOOD	12,172
DRY WHEY, ANIMAL FEED	5,002	-15.8	13.9	ANIMAL FEED	1,964	25.9	-18.6	ANIMAL FEED	1,964
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL 8/	5,919	-46.8	0.5	CANNED EVAPORATED & CONDENSED WHOLE MILK	59,189	3.7	0.4	CANNED EVAPORATED & CONDENSED WHOLE MILK	59,189
LACTOSE, HUMAN FOOD & ANIMAL FEED	25,062	-7.0	-4.3	DRY WHOLE MILK 9/	---	---	---	DRY WHOLE MILK 9/	---
DRY BUTTERMILK, TOTAL	4,706	3.6	26.0	NONFAT DRY MILK FOR HUMAN FOOD	136,775	-39.5	7.8	NONFAT DRY MILK FOR HUMAN FOOD	136,775
				DRY SKIM MILK FOR ANIMAL FEED 9/	---	---	---	DRY SKIM MILK FOR ANIMAL FEED 9/	---

1/ 2001 cumulative as percent change of 2000 cumulative. 2/ Whole milk cheese, including Cheddar, colby, monterey and jack. 3/ Mostly used for processing into cream or lowfat cottage cheese.

4/ Fat content 4 percent or more. 5/ Fat content less than 4 percent. 6/ Final marketable product only. Does not include quantity used or shipped to another plant for further processing into dry whey or modified whey products. 7/ Stocks held by manufacturers at all points and in transit. 8/ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. 9/ Information for these products was not shown in current report.

SOURCE: "Dairy Products," Da 2-6 (7-01), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

JUNE 2001 DEIP BID ACCEPTANCES

ACCEPTANCE DATE	DESTINATION	QUANTITY (MT)	DEL. PERIOD	BONUS/MT
NONFAT DRY MILK				
JULY 2000 – MAY 2001		68,201		
JUNE 1 – 30, 2001		<u>0</u>		
CHEESE				
JULY 2000 – MAY 2001		3,030*		
JUNE 1 – 30, 2001		<u>0</u>		
C-CHEDDAR, G-GOUDA, M-MOZZARELLA, P-PROCESSED AMERICAN, CC-CREAM CHEESE, MJ-MONTEREY JACK, V-VARIETAL				
BUTTERFAT				
JULY 2000 – MAY 2001		0		
JUNE 1 – 30, 2001		<u>0</u>		
A-ANHYDROUS MILKFAT, B-BUTTER				
TOTAL MT				PROGRAM TO DATE
TOTAL BONUS VALUE				71,231
				\$12,419,000

Exporters of U.S. milk powder, butterfat and cheddar cheese are aided under the Dairy Export Incentive Program (DEIP), created by Food Security Act of 1985 and extended by the Food, Agriculture, Conservation, and Trade Act of 1990. Export sales are facilitated through payment of bonuses by the U.S. Department of Agriculture's Commodity Credit Corporation. Sales of dairy products will be made through normal commercial channels at competitive world prices. For further information call L.T. McElvain (202) 720-6211.

Conversion: 1 metric ton (MT) = 2,204.6 pounds. **SOURCE: FOREIGN AGRICULTURAL SERVICE**

* Program year allocations are filled

FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, JUNE

Component Price Information: Under the Federal milk order pricing system, the butterfat price for June 2001 is \$2.2089 per pound. Thus, the Class II butterfat price is \$2.2159. The protein and other solids prices for June are \$2.1670 and \$0.1409 per pound, respectively. These component prices set the Class III skim milk price at \$7.55 per cwt. The June Class IV skim milk price is \$7.87 which is derived from the nonfat solids price of \$0.8748 per pound.

Product Price Averages: The product price averages for June are; butter \$1.9263, nonfat dry milk \$1.0148, cheese \$1.6211, and dry whey \$0.2764.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT <u>1/ 2/</u>						
FEDERAL MILK ORDER MARKETING AREAS <u>3/</u>	ORDER NUMBER	JUNE 2001				JULY 2001
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) <u>4/</u>	001	18.24	16.05	15.02	15.33	18.59
Appalachian (Charlotte) <u>5/</u>	005	18.09	16.05	15.02	15.33	18.44
Southeast (Atlanta) <u>6/</u>	007	18.09	16.05	15.02	15.33	18.44
Florida (Tampa) <u>7/</u>	006	18.99	16.05	15.02	15.33	19.34
Mideast (Cleveland) <u>8/</u>	033	16.99	16.05	15.02	15.33	17.34
Upper Midwest (Chicago) <u>9/</u>	030	16.79	16.05	15.02	15.33	17.14
Central (Kansas City) <u>10/</u>	032	16.99	16.05	15.02	15.33	17.34
Southwest (Dallas) <u>11/</u>	126	17.99	16.05	15.02	15.33	18.34
Arizona-Las Vegas (Phoenix) <u>12/</u>	131	17.34	16.05	15.02	15.33	17.69
Western (Salt Lake City) <u>13/</u>	135	16.89	16.05	15.02	15.33	17.24
Pacific Northwest (Seattle) <u>14/</u>	124	16.89	16.05	15.02	15.33	17.24
All-Market Average	---	17.57	16.05	15.02	15.33	17.92

1/ To convert the Class I price per 100 pounds to the Class I price per gallon, divide 11.63--the approximate number of gallons in 100 pounds of milk.

2/ Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.

3/ Names in parentheses are the major city in the principal pricing point of the market.

4/ Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25; and Washington, DC, minus \$0.25.

5/ Class I prices at other cities are: Knoxville, minus \$0.30 and Louisville, minus \$0.90.

6/ Class I prices at other cities are: New Orleans, plus \$0.50; Memphis, minus \$0.30; Nashville, minus \$0.50; and Springfield, Mo., minus \$0.90.

7/ Class I prices at other cities are: Orlando, same; Miami, plus \$0.30; and Jacksonville, minus \$0.30.

8/ Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

9/ Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.

10/ Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55.

11/ Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.

12/ Class I price at Las Vegas is minus \$0.35.

13/ Class I price at Boise is minus \$0.30.

14/ Class I prices at other cities are: Portland, same; and Spokane, same.

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF JULY 2 - 6, 2001			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES#	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/00	SAME PERIOD LAST YEAR	WEEK ENDING 06/29/01	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unsalted	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	3,050,083	1,162,919	-0-	-0-
Barrel	-0-	-0-	-0-	4,025,276	-0-	-0-	-0-
Process	-0-	-0-	-0-	3,999,600	5,583,600	-0-	-0-
TOTAL	-0-	-0-	-0-	11,074,959	6,746,519	-0-	-0-
NONFAT DRY MILK							
Nonfortified	7,662,965	658,149	7,004,816	341,592,518	384,015,526	574,353,000	-0-
Fortified	-0-	-0-	-0-	28,151,091	5,313,347	38,227,000	-0-
TOTAL	7,662,965	658,149	7,004,816	369,743,609	389,328,873	612,580,000	-0-

#Although an uncommitted inventory of NDM has continued to exist for some time, it has not been reported due to CCC's efforts to utilize all NDM purchased under price support.

MILK EQUIVALENT, FAT SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF JULY 2 - 6, 2001 =	1.5	81.5	COMPARABLE WEEK IN 2000 =	1.0	54.2
CUMULATIVE SINCE OCTOBER 1, 2000 =	183.6	4,413.5	CUMULATIVE SAME PERIOD LAST YEAR =	147.9	4,598.6
CUMULATIVE JANUARY 1 - JULY 6, 2001 =	67.0	2,930.7	COMPARABLE CALENDAR YEAR 2000 =	136.7	4,005.5

* Factors used for Fat Solids Basis Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

**Factors used for Skim Solids Basis Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF JULY 2 - 6, 2001 (POUNDS)

	BUTTER			CHEESE			NONFAT DRY MILK	
REGION	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	7,004,816	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/00 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
REGION	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00
MIDWEST	-0-	-0-	5,995,440	6,665,991	5,535,879	43,931,837	30.8	48.1
WEST	-0-	-0-	5,039,919	80,528	364,207,730	340,249,297	69.0	51.1
EAST	-0-	-0-	39,600	-0-	-0-	5,147,739	0.2	0.8
TOTAL	-0-	-0-	11,074,959	6,746,519	369,743,609	389,328,873	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER MAY 31, 2001

MANUFACTURING MILK Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80

BUTTER Bulk \$.8548 per pound; 1# Prints \$.8848

CHEESE 40 & 60# Blocks \$1.1314 per pound; 500# Barrels \$1.1014; Process American 5# \$1.1839; Process Am. 2# \$1.2239

NONFAT DRY MILK Nonfortified \$.9000 per pound; Fortified \$.9100; Instant \$1.0575

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 06/16/01 & Comparable Week 2000

	U.S. TOTAL										% DAIRY OF ALL	
Regions* (000 HEAD)	1	2	3	4	5	6	7	8	9	10	WEEK SINCE JAN 1	WEEK SINCE JAN 1
2001-Dairy	0.2	0.7	5.0	4.5	16.7	1.9	1.2	0.7	8.7	2.3	41.8	1,240.7
2000-Dairy	0.2	0.7	5.4	4.3	19.4	1.8	0.6	0.6	9.5	2.6	45.2	1,214.4
2001-All cows	0.2	0.9	6.0	13.7	25.1	13.7	15.6	4.5	12.0	6.0	97.6	2,611.2
2000-All cows	0.2	0.9	7.3	14.3	28.2	13.0	14.5	4.2	13.2	5.8	101.6	2,475.2

SOURCE The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III (2000) AND BFP (1998-99) MILK PRICES, (3.5% BF, \$/CWT. FOR COMPARISON PURPOSES ONLY)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63
2000	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02	8.57	9.37

FEDERAL MILK ORDER CLASS PRICES FOR 2001 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	13.99	11.94	12.65	13.44	14.21	14.99	15.34					
II	12.82	13.43	14.17	15.10	15.72	16.05						
III	9.99	10.27	11.42	12.06	13.83	15.02						
IV	12.13	12.70	13.46	14.41	15.04	15.33						

1/ Specific order differentials to be added to this base price are located at: www.ams.usda.gov/dairy/mib/class_prod_milk_comp_pr.htm